

New England Peer Review

2022 Annual Report on Peer Review Activities

Date Issued: March 27, 2023

I. Administering Entity Oversight Process and Procedures

Oversight is a process in which a firm's review/reviewer is observed by another peer reviewer. Annually, the AICPA sets the minimum number of system and engagement review oversights required by each administering entity.

A member of NEPR's Peer Review Committee or other approved qualified individual will perform the oversight. Both firm and peer reviewers are subject to oversight.

Oversight may include visiting the firm as part of the peer review process or reviewing specific engagements. Oversight may also be performed after a review is complete. Oversight includes review of the reports and financial statements as well as firm work papers.

Firms may be selected for oversight based on several factors including but not limited to the types of peer review reports previously received, high risk engagements performed by the firm, or if it's the firm's first peer review.

Reviewers may be selected randomly or due to other factors including but not limited to frequent submission of pass reports, conducting reviews for firms with audits in high-risk industries, or due to performance deficiencies such as issuance of an inappropriate peer review report or failure to properly reach the appropriate conclusion during a review. Reviewers may also be chosen randomly, or on a rotating basis.

II. Number of Firms Enrolled in the Peer Review Program

Number of Professionals	AICPA Peer Review Program	New England Peer Review Program
Sole Practitioners	74	19
2-5	164	19
6-10	68	0
11-19	21	0
20-49	16	0
50+	2	0
Total Enrolled Firms	345	38

III. Summary of Peer Review Programs

Results by Type of Peer Review and Report Issued

	AICPA Peer Review Program		New England Peer Review Program	
System Reviews	50	%		%
Pass	40	74.07	4	100
Pass with deficiency(ies)	12	22.22	0	0
Fail	2	3.7	0	0
Total	54		4	
Engagement Reviews	49	%		%
Pass	42	80.77	3	100
Pass with deficiency(ies)	5	9.62	0	0
Fail	5	9.62	0	0
Total	52		3	

Type and Number of Reasons for Report Deficiencies for System Reviews

	AICPA Peer Review Program	New England Peer Review Program
Engagement performance	11	0
Human resources	5	0
Monitoring	2	0
Relevant ethical requirements	0	0
Leadership responsibilities for quality within the firm ("the tone at the top")	0	0
Acceptance and continuance of client relationships and specific engagements	0	0
Total	18	0

**Number of Engagements Not Performed or Reported on in Conformity
with Professional Standards in All Material Respects
(Nonconforming engagements)**

Engagement Type	AICPA Peer Review Program			New England Peer Review Program		
	Number of Engagements		%	Number of Engagements		%
	Reviewed	Nonconforming engagements		Reviewed	Nonconforming engagements	
Audits:						
Single Audit	29	11	37.93%	1	0	0
Government Auditing Standards – All Other	21	1	4.76%	0	N/A	N/A
ERISA	23	7	30.43%	0	N/A	N/A
FDICIA	0	0	N/A	0	N/A	N/A
Other	67	16	23.88%	6	0	0
Reviews	98	12	12.24%	4	0	0
Compilations and Preparations:						
With Disclosures	62	4	6.45%	2	0	0
Omit Disclosures	82	7	8.53%	5	0	0
Financial Forecasts & Projections	0	0	N/A	0	N/A	N/A
SOC Reports	0	0	N/A	0	N/A	N/A
Agreed Upon Procedures	16	1	6.25%	0	0	0
Other SSAEs	2	0	N/A		0	0
Totals	400	59	14.75%	18	0	0

**Summary of Required Follow-up Actions
(Includes corrective actions and implementation plans)**

Type of Follow-Up Action	AICPA Peer Review Program	New England Peer Review Program
Submit Proof of Certain CPE Taken	34	0
Agree to Pre-issuance Review by TC/Outside Party	17	0
TC/Outside Party Review Correction of Non-Conforming Engagements	9	0
Submit to TC/Outside Party Post-issuance Review of Subsequent Engagements w/ wp's	2	0
TC/Outside Party to Review Firm's Remedial Actions in its Response on the FFC	2	0
Does Not Perform Any Auditing Engagements	1	0
Join EBPAQC	1	0
Submit Evidence of Proper Firm Licensure	1	0
Submit Monitoring Report to Team Captain/Outside Party for Review	1	0
Submit to TC/Outside Party Post-issuance Review of Subsequent Engagements w/o wp's	1	0
TC/Outside Party to Review Firm's Remedial Actions in LOR	1	0
Totals	70	0

III. Oversight Process

Oversight Results

a) Peer reviews

AICPA Peer Review Program Firms

Type of Peer Review	Must Select Engagement (GAGAS, ERISA, FDICIA, SOC)	Total Oversights
System	1	1
Engagement	N/A	1

New England Peer Review Program Firms

Type of Peer Review	Must Select Engagement (GAGAS, ERISA, FDICIA, SOC)	Total Oversights
System	0	0
Engagement	0	0

b) Oversight Performed on the AE

The results of our most recent oversight performed by the AICPA Oversight Task Force, which covers only the AICPA Peer Review Program, are available on the [AICPA's website](#).